BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO INTERROGATORY OF THE MAJOR MAILERS ASSOCIATION (MMA/USPS-ST44-7(a)) -- ERRATA

The United States Postal Service hereby provides the revised response of witness Patelunas to the following interrogatory of the Major Mailers Association: MMA/USPS-ST44-7(a), filed on July 24, 2000. The original response was filed on August 1, 2000. The revision is made to be consistent with the revised response to Presiding Officer's Information Request No. 14, being filed today.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 August 11, 2000

Response of United States Postal Service Revised 8/11/00 witness Patelunas to Interrogatories of Major Mailers Association

MMA/USPS-ST44-7 Please refer to USPS-ST-44A.

- (a) Please confirm that the Postal Service projects a \$275.3 million loss in the test year after rates? If you cannot confirm, please provide the correct net revenue impact of the updated costs to FY 1999.
- (b) Is the \$275.3 million loss acceptable in order for the Postal Service to meet its breakeven mandate? Please explain.
- (c) If your answer to part (b) is no, please explain what changes the Postal Service has made to its originally proposed rates in order for it to break even.

Response:

- (a) Please see my revised response to Presiding Officer's Information Request No. 14 (Revised 8/11/00) which indicates an approximate \$475.3 million deficiency in the Test Year After Rates which would result from incorporating the \$200 million Field Reserve, which was inadvertently omitted in the July 7, 2000 update.
- (b c) Redirected to the Postal Service.

DECLARATION

I, Richard Patelunas, declare under penalty of perjury that the foregoing answers to interrogatories are true and correct to the best of my knowledge, information, and belief.

Dated: 8/11/00

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 August 11, 2000